

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

STARRED QUESTION NO:490

ANSWERED ON:24.04.2003

PARTNERSHIPS ACQUIRED BY PUBLIC SECTOR OIL COMPANIES

SUSHIL KUMAR INDORA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether a number of Indian Public Sector Oil Companies have acquired partnership in some companies engaged in oil production abroad;
- (b) if so, the names of such companies and the capital invested by each company by the end of December, 2002, country-wise; and
- (c) the details of the benefits in terms of oil and exposure to new technology accruing to the PSUs?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI RAM NAIK)

(a) to (c) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 490 BY SUSHIL KUMAR INDORA TO BE ANSWERED ON 24TH APRIL 2003 REGARDING PARTNERSHIPS ACQUIRED BY PUBLIC SECTOR OIL COMPANIES

(a) & (b) : As on date, one Public Sector Oil Company, namely, ONGC-Videsh Limited (OVL), the wholly owned subsidiary of Oil and Natural Gas Corporation Limited (ONGC) has acquired the shares of a subsidiary of a company engaged in oil production abroad.

In the process of buying the 25% stake of Talisman Energy Inc (TLM), Canada, OVL acquired from TLM, 100% shares of the 'Talisman Greater Nile BV', a subsidiary of TLM, through whom they were holding the 25% stake in the Greater Nile Oil Project. The investment made by OVL in the project in form of purchase price is US \$ 720 million (Rs. 3,456 crores approximately).

It may be added that OVL, as a member of an unincorporated Joint Venture, also holds 45% interest in gas producing Block 6.1 of Vietnam offshore. Further, OVL and three other Public Sector oil companies, namely, Gail (India) Limited (GAIL), Indian Oil Corporation Limited (IOC) and Oil India Limited (OIL), have interests in Blocks abroad, in countries like Iran, Myanmar, Russia and the USA, from which no production is taking place as of today.

(c) : Apart from enhancing equity oil for the country by about 3 million tonnes per annum, OVL would also derive the following benefits :

- (i) Valuable expertise and transnational operating experience to enable OVL to become a major force in the global hydrocarbon industry.
- (ii) Good exposure and experience to OVL personnel who would be deputed to the Project, which could prepare them to take up other further overseas projects.
- (iii) OVL would be promoting other Indian companies who can offer materials and services to the Project and other allied activities in Sudan.